

COVENTRY FIRE DISTRICT

MEETING OF THE BOARD OF DIRECTORS

December 1, 2015

A meeting of the Board of Directors was held on Tuesday, December 1, 2015 at 7:00 P.M. at the Anthony Fire Station, 571 Washington Street, Coventry, Rhode Island.

The Agenda having been properly posted in accordance with the provisions of the Open Meetings Act (a copy is attached hereto as Exhibit A). Chairman Palin called the meeting to order.

- Emergency Evacuation Procedure
- Pledge to the flag

The roll was called and the following Directors were present: Frank R. Palin, John Cook, John D'Onofrio, and Brenda Raposo. Also present were Art Read and Fred Tobin., Solicitors to the District, and David P. Krekorian CPA, MST, Treasurer.

It is MSV to amend the agenda and move the signing of the Union Contract to first order of business as requested by Director Cook.

Director Cook moved to add public comment to the agenda before adjournment. Mr. Tobin advised this must be advertised and cannot be added during a meeting. Director Cook withdrew the motion.

Chairman Palin asks Union President David Gorman to approach the front for the signing of the contract.

- The contract is signed.
- Chairman Palin gives thanks to Joe Andreoli, David Gorman, & Ed Shannon, the Solicitors for the District, the Treasurer for the District, and the Members of the Board
- We have a fire department
- Still hurdles to cross, including considerable debt

It is MSV to approve the minutes of a previous meeting.

Dave Krekorian on Tax Collectors Report and Treasurer's Report

- Receivable balance left to collect this fiscal year is less than that of the previous two fiscal years. Approx. \$190,000.00 this year versus \$380,000.00 outstanding previous years.
- Great deal of effort into collecting old funds on behalf Country Title and Tax Collector
- Tax Sale coming up on Dec 9, 2015.
- A request for proposals for a financial statement audit has been prepared for the years 2014 & 2015. Required by State Law. Ten firms approached also posted in the Kent County Times.

- In the process of getting Blue Cross and Delta Dental re-instated
- Successful in negotiating a reduction in worker's comp accident and sickness policy. Savings of approximately \$31 ,000.00. This has been paid.
- Working on updates to payroll system to account for vacation and sick time to provide more information to Board on a monthly basis.

It was unanimously MS V to approve both the Tax Collector' s Report and the Treasurer' s Report.

A Mr. Beckman stated that he didn't think Treasurer Krekorian gave the report and that by rule, the treasurer's report must be read. Chairman Palin declared him out of order as there is no rule that he knows of that states this, nor is it in the District by-laws.

Director Cook presents by-law change

Director Cook proposed a change to Article 2 paragraph C of the District's by-laws as it pertains to filling vacancies on the Board. He proposed to change the statement, "The said elected officers shall select an inhabitant of said district to fill the vacancy until the next annual meeting", to "the said elected officers shall select an inhabitant of the said district to fill out the remainder of said vacancy". Director Cook said that making this change would avoid electing four Board members at once. Discussion Points:

- Director D'Onofrio added additional vacancy problem relating to a split Board as it becomes impossible to fill the fifth position. He would like to add that if the position cannot be filled within 45 days that it will go to a vote by the taxpayers via special meeting.
- Chairman Palin believed timing is an issue and would like District Solicitors to review.
- Director D'Onofrio pointed out two issues at hand as it pertains to current by-law. First, when a Board member leaves leaving a split Board, how do you fill that fifth position? Second, when the position is filled, what is the term, the rest of the year or the remainder of the term?
- Can this be researched within the week and be ready to present at the District Financial Meeting?
- Mr. Read suggested this motion be held on the table, as advertising requirements for this will need to be researched.
- Discussion on by-law changes to be added to agenda for District Financial Meeting.

Tax Sale

Chairman Palin explained that District has received letters from taxpayers asking for an abatement of the \$195.00 charge. He continued that on average, one in six taxpayers was not paying taxes on time. Coventry Fire District is a business and cannot run properly in this manner. A hard decision was made to have an all-encompassing tax sale, and with that there are costs involved, The Chair asked Mr. Read to explain the steps involved in a tax sale.

Mr. Read explained:

- Prior to becoming Co-Solicitor with Mr. Tobin for the District, an organization called Country Title LLC of which Mr. Read is a Member, was engaged to conduct tax sales for the Coventry Fire District.
- The Law with regard to tax sales is very straight forward. When a taxing entity issues a tax bill, it is due within a time period for payment, for the past year's taxes. Under our law, taxes are due when billed, however taxing entities may allow their taxpayers to pay quarterly. The quarterly payment is not a right; it's a privilege and requires that payment be made by the due date. If not paid, legally the tax bill is then due in full. This District had a huge financial problem and could not afford to not have taxes paid when they were due.
- Costs involved with conducting preparation of tax sale increase further down the road, letters received by taxpayers had already incurred fees for title examinations, office preparation and postage fees.
- Costs not assessed were advertising, auctioneer cost and hall rental.
- The District is out the monies for these costs, if the District wants to abate the fee, it is their privilege, but the District will still owe Country Title for their work. ➤ Delinquent tax payers were advertised in the newspaper ➤ Mr. Read welcomed questions after the meeting

Chairman Palin:

- Everybody knows they get taxed and when they should be paying their bill ➤ Not inclined to abate anything
- Open secret throughout District that bill did not have to be paid on time, resulting in financial difficulties for the district.
- District had to be run as a business
- Director D'Onofrio agrees not to abate
- Treasurer Krekorian supports tax sale as it has brought in funds otherwise gone uncollected as in past years, which has helped with substantially thus far.

2015-2016 Budget- Director D' Onofrio

- Currently in workshop stage.
- Finished Fiscal 2015 with a deficit of \$375,000.00
- Anticipated tax revenue of \$1 974,000.00 (approx. \$50,000.00 less than previous year due to less money owed from past taxes) ➤ Rescue Recovery budgeted at \$281,000.00.
- Funds budgeted for sale of vehicles
- Total personnel cost budgeted at 1,164,000.00 a substantial decrease from the previous year (2,029,000.00) largely due to reduction in staff.
- Retiree Cost to increase \$255,000.00 from \$155,000.00

- Operating cost currently at \$542,000.000 down by \$200.000.00 from previous year, not final as CFD currently in litigation and legal cost need to be determined.
- \$90,000.00 budgeted for contingencies
- Debt payoff budget at \$200,000.00 (up 50% over previous year) to pay on CFD debt of approx. \$1,000.000.00 ➤ Projected surplus of \$35,000.00
- Not a substantial tax increase, to be determined.
- Vote to taxpayers will be a reduced budget along with smaller fire department.

Chairman Palin Comments:

- If CFD were a 16-man department, budget would need to be increased to 3.6 million dollars which would be an increase to taxpayers on average of \$250.00.
- Collective bargaining agreement to be presented at financial meeting

Comments:

- Budgeted funds for National Grid and Kent County Water in 2016 (currently under litigation).
- Chairman Palin suggest that the Board approve a motion to allow the Budget Committee of Director D'Onofrio and himself, to meet with Treasurer Dave Krekorian and accept a budget that is in 100% agreement, without having to call an additional meeting. It is unanimously MSV to accept this.

There being no further business it is unanimously MS V to adjourn the meeting at @7:40pm

Attest:


Rob Catalfamo

Clerk

April 6, 2016

Exhibit A
AGENDA
Coventry Fire District

Date of Meeting: Tuesday, December 1, 2015

Time of Meeting: 7:00 PM

Location: Anthony Fire Station 571
Washington St.
Coventry, RI 02816

1. Emergency Evacuation Procedures
2. Pledge to the flag
3. Roll Call
4. Minutes — discussion / action
5. Tax Collectors Report
6. Treasurers Report
7. Signing of the new union contract — discussion / action
8. Proposed bylaw change — discussion / action
9. Tax sale information and response to letters — discussion / action
10. 2015-2016 Budget- discussion / action I l. Adjourn meeting

Posted

Anthony Fire Station

Coventry Housing Authority

Coventry Shell